

The Senate Insurance and Labor Committee offered the following substitute to HB 305:

A BILL TO BE ENTITLED
AN ACT

To amend Chapter 27 of Title 33 of the Official Code of Georgia Annotated, relating to group insurance, so as to allow the issuance of a group life insurance policy to certain groups as approved by the Commissioner; to remove a participation requirement before the extension of group life policy coverage to dependents of employees or members; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 27 of Title 33 of the Official Code of Georgia Annotated, relating to group insurance, is amended in Code Section 33-27-1, relating to group requirements generally, by adding a new paragraph, to read as follows:

“(11) DISCRETIONARY GROUPS. Group life insurance offered to a resident of this state under a group life insurance policy issued to a group other than one described in paragraphs (1) through (10) of this Code section shall be subject to the following requirements:

(A) No such group life insurance policy shall be delivered in this state unless the Commissioner finds that:

(i) The issuance of such group policy is not contrary to the best interest of the public;

(ii) The issuance of the group policy would result in economies of acquisition or administration; and

(iii) The benefits are reasonable in relation to the premiums charged;

(B) No such group life insurance coverage may be offered in this state by an insurer under a policy issued in another state unless this state or such other state having requirements substantially similar to those contained in divisions (i) through (iii) of subparagraph (A) of this paragraph has made a determination that the requirements have been met;

(C) The premium for the policy shall be paid either from the policyholder's funds or from funds contributed by the covered persons, or from both; and

(D) An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer."

SECTION 2.

Said chapter is further amended by revising paragraph (1) of subsection (a) of Code Section 33-27-2, relating to the extension of group life policy coverage to dependents of employees or members, to read as follows:

"(1) The premium for the insurance shall be paid by the policyholder either from the employer's or union's funds or funds contributed by the insured employees or members, or from both. ~~If any part of the premium is to be derived from funds contributed by the insured employees or members, the insurance with respect to spouses and children may be placed in force only if at least 75 percent of the then eligible employees or members, excluding any as to whose family members evidence of insurability is not satisfactory to the insurer, elect to make the required contribution.~~ If no part of the premium is to be derived from funds contributed by the employees or members, all eligible employees or members, excluding any as to whose family ~~members~~ members' evidence of insurability is not satisfactory to the insurer, must be insured with respect to their spouses and children;"

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.